

**COMMONWEALTH OF VIRGINIA**  
**DEPARTMENT OF HUMAN RESOURCE MANAGEMENT**

**Benefits Administrator Memo**

**#05-04**

To: Benefits Administrators

From: Mary P. Habel, Director  
State and Local Health Benefits Programs

CC: All OHB

Date: March 31, 2005

Re: Spring Open Enrollment for Health Benefits and Flexible Reimbursement Accounts –  
April 15 – May 16, 2005

**WHAT'S NEW**

The following will take effect July 1, 2005, for Health Benefits and Flexible Reimbursement Accounts (FRAs). See the [Spotlight newsletter](#) for more information.

- **New ID Card Numbers** – To enhance security, all **COVA Care** members will receive a new ID number replacing the Social Security Number (SSN) or other existing ID number on ID cards. The system-generated ID number for all vendors will consist of the seven-digit BES ID number followed by the letters "XU". To ensure access to the BlueCard® PPO network, the Anthem card number will also have a "YTX" prefix. New ID cards will be mailed in mid-to-late June. **Kaiser HMO** members already have a non-SSN ID number. Current Kaiser members will not be mailed new ID cards (*Spotlight*, pages 1 and 10).
- **Health Plan Benefits** – There will be no changes to COVA Care or Kaiser health benefits for the new plan year (*Spotlight*, pages 4 and 5).
- **Health Premiums and FRAs** – New premiums and FRA elections will be reflected in employees' first paychecks after July 1 (*Spotlight*, pages 3, 6-8).
- **Qualifying Mid-Year Events** – If an employee experiences a qualifying mid-year event that allows a change outside Open Enrollment, they may change their plan, membership and additional coverage options (COVA Care). Previously, only a membership change could be made (*Spotlight*, page 11).

## GETTING READY FOR OPEN ENROLLMENT - COMMUNICATIONS

### 1. Updates to the OHB Contacts Database

The Office of Health Benefits maintains a contacts database for communicating information and distributing materials to agencies. EmployeeDirect also uses this database to determine an employee's Benefits Administrator and to notify the Benefits Administrator of an employee action.

This database permits one Benefits Administrator and one Benefits Manager for each Agency/Group number in BES. We ask that the designated contact share communications with others that may also be responsible for the same Agency/Group number.

The contacts database is updated monthly and the latest version is attached for your review. When you need to replace information on the contacts database, send your requests for updates to [Anne.Waring@dhrm.virginia.gov](mailto:Anne.Waring@dhrm.virginia.gov) or [Brenda.Farrish@dhrm.virginia.gov](mailto:Brenda.Farrish@dhrm.virginia.gov) in the Office of Health Benefits.

### 2. Encourage Employees to Visit EmployeeDirect

EmployeeDirect is quick, easy, and available 24 hours a day from any computer with Internet access. Having employees enter their Open Enrollment elections using EmployeeDirect eliminates the paper form and automatically updates BES, saving your agency time and money.

Encourage your employees to visit EmployeeDirect on the DHRM Web site at [www.dhrm.virginia.gov](http://www.dhrm.virginia.gov) as early as possible. Employees can login to EmployeeDirect, review their Health Benefits Profile and make changes to their personal information before the Open Enrollment period begins. Former employees enrolled in Extended Coverage, Long-Term Disability and the State Retiree Health Benefits Program may also use EmployeeDirect for Open Enrollment elections.

Two new features are offered this year. EmployeeDirect users will be assigned new identification numbers other than their SSN and four-digit passcodes will be replaced with new user-defined passwords and password hints. Users may continue to login with their SSN as their identification number. EmployeeDirect will automatically display their new identification number and provide step-by-step instructions to register their new password.

### 3. Updates to Employee E-Mail Addresses

It is important that your employees have a correct e-mail address on file in BES to use EmployeeDirect. If it is missing or incorrect, EmployeeDirect will refer the employee to you for assistance.

When you are asked to update a personal e-mail address (or the work e-mail address for a non-PMIS employee), use PSB301 with reason code 37 in BES. The BES e-mail field is now located near the center of the screen and will accommodate up to 50 characters.

To update a work e-mail address for a PMIS employee, use PSE 091 and it will automatically update BES.

Once the BES e-mail address is successfully updated, your employee may immediately revisit EmployeeDirect and login.

#### 4. Distribution of Open Enrollment Materials

Supplies of the *Spotlight* newsletter will be shipped to agencies the week of April 4. The *Spotlight* newsletter is the official communication for Spring Open Enrollment. If your agency chooses to develop its own Open Enrollment communications, it is the agency's responsibility if incorrect information is provided to employees.

- **Spring *Spotlight* Issue on Open Enrollment**

The Spring 2005 issue of the *Spotlight* newsletter highlights what to expect for July 1 and provides enrollment instructions. Your supply of *Spotlight* is based on the eligible employee count for your agency in BES plus 8 percent. A limited number of extra copies may be ordered by writing in "Spotlight" and the quantity on the bottom of the new State Materials Order Form (see attached). Remember that it is your responsibility to distribute *Spotlight* to all employees eligible for health benefits and Flexible Reimbursement Accounts. In addition to active employees, eligible employees include those classified employees now working at least a 20 - hour week, those on leave, those off-site and those who previously waived coverage. A copy of *Spotlight* is enclosed.

- **COVA Care Amendment**

There will be no new COVA Care Member Handbook for 2005, but an amendment to the 2004 member handbook will be distributed before July 1. More details on availability and distribution will be provided later in a Benefits Administrator e-mail.

- **FRA Election Form and Flexible Benefits Program Sourcebook**

FRA election forms will no longer be available for order, but may be printed off the DHRM Web site. The form may be found under the Policies, Forms and Resources link. Flexible Benefits Program Sourcebooks will be available in June 2005. More details on distribution will be provided later in a Benefits Administrator e-mail.

- **Materials Order Forms**

Two materials order forms are now posted on the DHRM Web site. The first may be used to order materials from Anthem, Delta Dental and ValueOptions. The other form is specific to Medco orders. Please note that the forms have different fax numbers!

- **Electronic Communications**

A special Spring Open Enrollment section may be found beginning the week of April 4 on the front page of the DHRM Web site and under the Announcements section for Compensation and Benefits. You may also download *Spotlight*, the health benefits enrollment forms, FRA Election Form, and the State Materials Order Forms. A Power Point presentation on Open Enrollment will be available soon on the DHRM Web site.

If you choose to share communications with employees electronically, please follow these important guidelines:

1. To receive benefit information electronically, the recipient must have work-related access to a personal computer. Do not send benefit information electronically if you are not sure of this access. When in doubt, distribute printed material.
2. Work-related access means that employees are able to access documents at any location where they reasonably could be expected to perform employment duties.
3. Access to the employer's electronic information must be an integral part of their day-to-day work responsibilities.

## THE ENROLLMENT PROCESS: ONLINE OR PAPER

All Open Enrollment elections must be received on or before Monday, May 16 and are effective July 1, 2005 - June 30, 2006. Beginning April 15, eligible employees may enroll online by using EmployeeDirect or by submitting a completed paper Health Benefits Enrollment Form for Active Employees. Note: FRA elections may be submitted on an FRA Election Form or by completing the FRA section on the Health Benefits Enrollment Form.

BES has assigned new ID numbers to all participants. The new ID may be found in the top right corner of the PSB305 screen. You may use either the new ID or SSN to locate BES records.

### 1. Using EmployeeDirect

The EmployeeDirect link on the DHRM Web site links to *Step-By-Step Instructions for Online Open Enrollment* and answers to *Frequently Asked Questions About EmployeeDirect*.

Successful Open Enrollment elections made through EmployeeDirect are approved, confirmed and displayed right away on an updated Health Benefits Profile that takes effect on July 1. Employees who use EmployeeDirect are advised to review their updated profile and to keep a copy for their records.

When your employee successfully uses EmployeeDirect for Open Enrollment, you will receive a courtesy e-mail from EmployeeDirect and an official BES turnaround document for your records. You will also see a BES suspense record for July 1 with the Open Enrollment elections.

### 2. Using a Paper Form

Open Enrollment elections submitted to you by FRA Election Form or on a Health Benefits Enrollment Form for Active Employees must be keyed in BES. You will be able to enter these elections from April 15 through close of business May 23. Successful Open Enrollment transactions will create a BES suspense record for July 1 and an official BES turnaround document for your records.

To key an FRA Open Enrollment election:

- Use the PSB200 transaction and reason code 56. For example: PSB200,ID or SSN,56.
- Enter the receive date documented on the FRA election form, the appropriate per-pay dollar amount for each reimbursement account, and then transmit.
- Only one PSB200 transaction is required when processing enrollment into one or both reimbursement accounts.
- If you find that the paycode for a PMIS employee is incorrect, use PSE211 to correct it before the FRA election is entered. Paycodes for non-PMIS employees may be corrected on the PSB200 transaction.

To key a Health Benefits Open Enrollment election:

- Use the PSB301 transaction and reason code 56. For example: PSB301,ID or SSN,56.
- Enter the receive date documented on the Health Benefits Enrollment Form for Active Employees, the appropriate health benefits information, and then transmit.

### 3. Handling Suspense Records

Since Open Enrollment elections are effective prospectively, a suspense record is created in BES. Because of the future date, some transactions attempted prior to the effective date of the suspense record may fail. When this happens, the suspense record will have to be deleted, the new transaction entered, and the deleted suspense record re-keyed. If a BES suspense record prohibits a transaction, follow these steps:

- Use PSB305 to view and screen-print the suspense record.
- Use PSB117 to delete the suspense record.
- Use PSB301 (and/or PSB200) with the appropriate reason code to enter the new transaction or have the member use EmployeeDirect for the new transaction. A successful EmployeeDirect transaction will create a BES pending record for the member. Handle the member's pending record before you re-key the deleted suspense record.
- Re-key the deleted suspense record making sure you key the same dates used on the deleted suspense record.

Contact the OHB Information Systems team for assistance if you have difficulty making the change after following these steps. Be sure to include the ID or SSN, name, and brief description of the problem.

*Also, keep in mind these important regulations related to Open Enrollment elections once the Open Enrollment period has ended:*

- An Open Enrollment suspense record must not be deleted because the employee wants to retract the Open Enrollment election.
- An Open Enrollment suspense record may not be changed when re-keyed.
- An Open Enrollment election must have been received on or before May 16.

### 4. FBMC FRA Confirmations

The Office of Health Benefits will be sending Fringe Benefits Management Company (FBMC) the July 1, 2005 plan year enrollment information in late May. The data file will include all transactions processed through EmployeeDirect or entered into BES through close of business on May 23.

FBMC will provide a list of your agency's employees and their election amounts. Look for this list in your FTP folder in early June. Use this report to ensure that payroll deductions for FRAs are set up on a timely basis. FBMC will also send a confirmation before July 1 to all employees who are included in this file transfer. Employees should be advised to review the confirmation for accuracy. Only clear and convincing errors will be considered by written request.

***More details will be provided later in a Benefits Administrator e-mail.***

## TO CONTACT THE OFFICE OF HEALTH BENEFITS

For general information, you may contact the Office of Health Benefits by e-mail at [hbp@dhrm.virginia.gov](mailto:hbp@dhrm.virginia.gov), by phone at (804) 371- 6436 or by fax at (804) 371-0231.

If you have a specific request or need immediate assistance, a complete listing of OHB representatives may be found at <http://www.dhrm.virginia.gov/hbenefits/contactohb.html>.

### **Attachments:**

*Spotlight* newsletter

Enrollment Forms:

--Active Employees

--Extended Coverage Participants

FRA Election Form

Materials Order Forms

Contacts Database